

SCHEDULE 1 -- COAL WASHING SUMMARY SHEET

Customer Name and Code: _____ / _____

Address: _____

City _____ State _____ Zip _____

Lease Number: _____

Mine Name: _____

Facility Name/ID Number: _____

Product: _____

Period: _____ 20 _____ to _____ 20 _____

Depreciation and Return on Undepreciated Capital Investment (From Schedule 1B)

(a) Plant Depreciation	(b) Undepreciated Capital Investment at Beginning-of-Period	(c) Rate of Return	(d) Return on Undepreciated Capital Investment	(e) Depreciation Plus Return on Capital Investment	
\$ _____	\$ _____	_____	\$ _____	\$ _____	1
Operating, Maintenance, and Overhead Expenses (From Schedule 1A, Line 18)				\$ _____	2
Total Non-Arm's-Length Plant Expenses				\$ _____	3
Total Plant Output (Including non-Federal coal washed by lessee)				_____	4
Non-Arm's-Length Washing Cost Per Ton Clean Coal				\$ _____	5a
Arm's-Length washing Cost per Ton Clean Coal				\$ _____	5b
Total Allowance Rate per Ton Clean Coal				=====	6
Total Quantity of Lease Coal Washed During the Reporting Period and Sold.				_____	7
Lease Ad Valorem Royalty Rate				_____ %	8
Royalty Quantity of Coal Washed and Sold During the Reporting Period				_____	9
Royalty Washing Allowance Amount				\$ _____	10
Royalty Washing Allowance Amount for Coal Washed During the Prior Period and Sold During the Report Period = Allowance Rate for Deferred Tons (_____) times Lease Tons of Deferred Coal Sold During the Reporting Period (_____) Tons Times the lease Ad Valorem Royalty rate (_____) %.				\$ _____	11
Total Royalty Washing Allowance Amount				\$ _____	12

INSTRUCTIONS FOR COMPLETING FORM MMS-4292, SCHEDULE 1

Use Schedule 1 to accumulate washing costs and compute the royalty allowance rate and amount for the washing facility. If you wash coal under arm's length conditions, you must complete only Schedule 1 (do not complete Schedules 1A or 1B).

Complete a separate Schedule 1 for each line reported on page 1 of Form MMS-4292.

You must submit a clear schematic diagram, on no larger than 8-1/2 x 11-inch paper, illustrating the wash plant, including major pieces of equipment and flow lines.

Customer Name, Code, and Address – Enter the same company name, code, and address as used on Page 1 of the Form MMS-4292, Coal Washing Allowance Report.

Lease and Mine Information – Enter the same lease number and mine name combination as used on Page 1 of the Form MMS-4292. Enter a facility name or number unique to the washing facility. Enter the same product as entered on Page 1. Enter the same reporting period as shown in item 5 on Page 1.

Complete lines 1 through 5a only if you wash your coal under a non-arm's length or no-contract arrangement.

1. **Depreciation and Capital Investment** – Complete this line only if you wash coal under non-arm's length or no contract conditions.
 - (a) **Plant Depreciation** – Use the figure calculated from column 6 on Schedule 1B.
 - (b) **Undepreciated Capital Investment at Beginning-of-Period** -- Use the figure calculated from column 5 on Schedule 1B.
 - (c) **Rate of Return** – The rate of return is the industrial rate associated with Standard and Poor's BBB rating. Enter the monthly average rate as published in Standard and Poor's Bond Guide for the first month of the reporting period.
 - (d) **Return on Undepreciated Capital Investment** – Multiply column b by column c.
 - (e) **Depreciation Plus Return on Capital Investment** – Sum columns a and d.
2. **Operating, Maintenance, and Overhead Expenses** – Use the figure calculated from line 18 on Schedule 1A.
3. **Total Non-Arm's Length Plant Expenses** – Sum lines 1 and 2.
4. **Total Plant Output** – Enter the washing plant's total output in tons for the reporting period, including all non-Indian washed coal.
5. (a) **Non-arm's Length Washing Cost Per Ton Clean Coal** – Divide line 3 by line 4, computing to 6 decimal places.

(b) **Arm's Length Washing Cost Per Ton Clean Coal** – Enter the washing cost rate as found in your arm's length contract.
6. **Total Allowance Rate Per Ton Clean Coal** – Sum lines 5a and 5b.

7. ***Total Quantity of Leased Coal Washed During the Reporting Period and Sold*** – Enter the total tonnage of leased coal washed and sold during the reporting period.
8. ***Lease Ad Valorem Royalty Rate*** – Enter the ad valorem royalty rate found in the Indian lease terms.
9. ***Royalty Quantity of Coal Washed and Sold During the Reporting Period*** – Multiply line 7 by line 8.
10. ***Royalty Washing Allowance Amount*** – Multiply line 6 by line 9.
11. ***Royalty Washing Allowance Amount for Coal Washed During the Prior Period*** – Multiply the lease tons of deferred coal sold during the current reporting period by the prior period royalty washing allowance amount and by the lease ad valorem royalty rate.
12. ***Total Royalty Washing Allowance Amount*** – Sum lines 10 and 11.